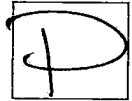


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-02208A
Pueblo Del Sol Water Company
4226 Avenida Cochise, Ste 13
Sierra Vista, AZ 85635

RECEIVED

MAY 8 2 2008

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007
----	----	------

FOR COMMISSION USE

ANN 04	07
--------	----

PROCESSED BY:

55-08

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Pueblo Del Sol Water Company

Mailing Address 4226 Avenida Cochise, Suite 13
(Street)

Sierra Vista AZ 85635
(City) (State) (Zip)

(520) 458-3742 (520) 417-9309 _____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address azilinski@castlecooke.com

Local Office Mailing Address Same as above
(Street)

(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) **Fax No.** (Include Area Code) **Cell No.** (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Rich Coffman Vice President
(Name) (Title)
4100 Canyon Del Flores Sierra Vista AZ 85635
(Street) (City) (State) (Zip)
(520) 378-9344 (520) 378-9575 _____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address rcoffman@castlecooke.com

On Site Manager: Ann Zilinski
(Name)
4226 Avenida Cochise Sierra Vista AZ 85635
(Street) (City) (State) (Zip)
(520) 458-3742 (520) 417-9309 _____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address azilinski@castlecooke.com

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Prentice Hall Corporation System
 (Name)
7037 N. 11th Street Phoenix AZ 85020
 (Street) (City) (State) (Zip)
(520) 264-1771
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)
 Attorney: Mary Garnett
 (Name)
10900 Wilshire Blvd St. 500 Los Angeles CA 90024
 (Street) (City) (State) (Zip)
(310) 208-3636
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)
 Email Address mgarnett@castlecooke.com

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|--|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input checked="" type="checkbox"/> Other (Describe) <u>Subsidiary of Parent Corporation: Castle & Cooke Arizona, Inc.</u> | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input checked="" type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

Pueblo Del Sol Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1414	1,414	
302	Franchises			
303	Land and Land Rights	2,766,279	594,514	2,171,765
304	Structures and Improvements	15,971	15,971	—
307	Wells and Springs	928,766	310,361	618,405
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	371,328	345,420	25,908
331	Transmission and Distribution Mains	2,612,948	2,612,948	—
333	Services	331,651	207,503	124,148
334	Meters and Meter Installations	160,418	160,091	327
335	Hydrants	123,089	123,089	—
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	323,837	137,115	186,722
340	Office Furniture and Equipment	68,494	66,522	1,972
341	Transportation Equipment	196,825	130,093	66,732
343	Tools, Shop and Garage Equipment	3,890	3,890	—
344	Laboratory Equipment			
345	Power Operated Equipment	251,088	250,004	1,084
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	(941,731)	(809,074)	(132,657)
	TOTALS	7,214,267	4,149,860	3,064,407

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Pueblo Del Sol Water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1,414		
302	Franchises			
303	Land and Land Rights	2,766,279	4%	117,292
304	Structures and Improvements	15,971		
307	Wells and Springs	928,766	4%	39,232
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	371,328	4%	14,650
331	Transmission and Distribution Mains	2,612,948		
333	Services	331,651	7%	23,101
334	Meters and Meter Installations	160,418	1%	953
335	Hydrants	123,089		117
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	323,837	7%	23,065
340	Office Furniture and Equipment	68,494	2%	1,711
341	Transportation Equipment	196,825	4%	8,033
343	Tools, Shop and Garage Equipment	3,890		
344	Laboratory Equipment			
345	Power Operated Equipment	251,088	1%	1,756
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	(941,731)		
	TOTALS	7,214,267		229,913

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME

Pueblo Del Sol Water Company

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 100	\$ 100
134	Working Funds	24,028	46,390
135	Temporary Cash Investments		
141	Customer Accounts Receivable	152,364	129,083
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 176,492	\$ 175,573
	FIXED ASSETS		
101	Utility Plant in Service	\$ 7,085,321	\$ 7,214,267
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(3,919,947)	(4,149,860)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 3,165,374	\$ 3,064,407
	TOTAL ASSETS	\$ 3,341,866	\$ 3,239,980

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

Pueblo Del Sol Water Company

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	(9,373,020)	(10,203,204)
235	Customer Deposits	417,378	369,723
236	Accrued Taxes	2,490,878	2,835,599
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	2,389,673	2,281,724
	TOTAL CURRENT LIABILITIES	\$ (4,075,092)	\$ (4,716,158)
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ (4,075,092)	\$ (4,716,158)
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1,630,000	\$ 1,630,000
211	Paid in Capital in Excess of Par Value	(64,531)	(64,531)
215	Retained Earnings	5,851,489	6,390,669
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 7,416,958	\$ 7,956,138
	TOTAL LIABILITIES AND CAPITAL	\$ 3,341,866	\$ 3,239,980

COMPANY NAME

Pueblo Del Sol Water Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1,794,312	\$ 1,787,709
460	Unmetered Water Revenue		
474	Other Water Revenues	118,484	142,682
	TOTAL REVENUES	\$ 1,912,797	\$ 1,930,391
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 220,323	\$ 223,421
610	Purchased Water		
615	Purchased Power		
618	Chemicals		
620	Repairs and Maintenance	4,101	19,515
621	Office Supplies and Expense	346,895	356,608
630	Outside Services	24,611	18,021
635	Water Testing		
641	Rents	20,657	23,905
650	Transportation Expenses	844	1,834
657	Insurance – General Liability	16,720	4,049
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	3,977	48,309
403	Depreciation Expense	226,749	229,913
408	Taxes Other Than Income		
408.11	Property Taxes	95,487	120,915
409	Income Tax	371,448	344,722
	TOTAL OPERATING EXPENSES	\$ 1,331,814	\$ 1,391,211
	OPERATING INCOME/(LOSS)	\$ 580,983	\$ 539,180
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ 580,983	\$ 539,180

COMPANY NAME

Pueblo Del Sol Water Company

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 325,058

Meter Deposits Refunded During the Test Year

\$ 66,726

COMPANY NAME	<i>Pueblo Del Sol Water Company</i>
Name of System:	ADEQ Public Water System Number: <i>02-044</i>

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
<i>55-623583</i>	<i>125</i>	<i>450</i>	<i>601</i>	<i>14-16</i>	<i>8</i>	<i>1972</i>
<i>55-623582</i>	<i>150</i>	<i>525</i>	<i>795</i>	<i>14-16</i>	<i>8</i>	<i>1973</i>
<i>55-623581</i>	<i>200</i>	<i>850</i>	<i>650</i>	<i>14-16</i>	<i>8</i>	<i>1973</i>
<i>55-595127</i>	<i>200</i>	<i>1025</i>	<i>800</i>	<i>16</i>	<i>10</i>	<i>2003</i>

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
<i>N/A</i>		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
<i>20</i>	<i>4</i>	<i>552</i>	<i>46</i>
<i>60</i>	<i>1</i>		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
<i>500,000 Gallon</i>	<i>2</i>	<i>5,000</i>	<i>1</i>
<i>250,000 Gallon</i>	<i>1</i>		
<i>1,000,000 Gallon</i>	<i>1</i>		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	<i>Pueblo Del Sol Water Company</i>
Name of System:	ADEQ Public Water System Number: <i>02-044</i>

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2	<i>PVC, steel</i>	<i>4,121</i>
3	<i>N/A</i>	<i>0</i>
4	<i>PVC, Steel, DI</i>	<i>26,432</i>
5	<i>N/A</i>	<i>0</i>
6	<i>PVC, Steel, DI</i>	<i>159,300</i>
8	<i>AC</i>	<i>159,000</i>
10	<i>" "</i>	<i>7,276</i>
12	<i>" "</i>	<i>85,683</i>

CUSTOMER METERS	
Size (in inches)	Quantity
<i>5/8 X 3/4</i>	<i>4,939</i>
<i>3/4</i>	<i>1</i>
<i>1</i>	<i>19</i>
<i>1 1/2</i>	<i>5</i>
<i>2</i>	<i>20</i>
<i>Comp. 3</i>	<i>0</i>
<i>Turbo 3</i>	<i>10</i>
<i>Comp. 4</i>	<i>0</i>
<i>Tubo 4</i>	<i>1</i>
<i>Comp. 6</i>	<i>0</i>
<i>Tubo 6</i>	<i>0</i>

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

N/A

STRUCTURES:

N/A

OTHER:

N/A

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	<u>Pueblo Del Sol Water Company</u>
Name of System:	ADEQ Public Water System Number: <u>02-044</u>

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	4,907	29,439	30,296	Ø
FEBRUARY	4,915	26,536	27,423	Ø
MARCH	4,934	31,890	33,105	Ø
APRIL	4,930	37,526	38,629	Ø
MAY	4,926	46,276	48,010	Ø
JUNE	4,941	53,157	55,365	Ø
JULY	4,953	52,557	55,651	Ø
AUGUST	4,967	36,092	37,330	Ø
SEPTEMBER	4,947	39,099	40,198	Ø
OCTOBER	4,956	37,429	39,171	Ø
NOVEMBER	4,979	36,319	37,537	Ø
DECEMBER	4,965	29,418	30,859	Ø
TOTALS →		455,736	473,339	Ø

What is the level of arsenic for each well on your system? <0.0010 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 1500 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
() Yes (x) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
() Yes (x) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes (x) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Pueblo Del Sol Water Co. YEAR ENDING 12/31/2007

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2007 was: \$ 108,706.40

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED

MAY 02 2008

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Cochise
NAME (OWNER OR OFFICIAL) TITLE	David A. Lari
COMPANY NAME	Pueblo Del Sol Water Company

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



SIGNATURE OF OWNER OR OFFICIAL

661-664-6605

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

(SEAL)

COUNTY NAME	
MONTH	20__

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Kern

On 4-30-08

Date

before me,

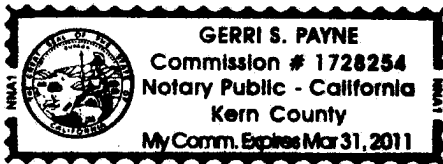
Gerri S. Payne, Notary Public

Here Insert Name and Title of the Officer

personally appeared

David A. Lari

Name(s) of Signer(s)



Place Notary Seal Above

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____

Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

COMPANY NAME Pueblo Del Sol Water Co. YEAR ENDING 12/31/2007

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported

Estimated or Actual Federal Tax Liability

883,902

247,493

State Taxable Income Reported

Estimated or Actual State Tax Liability

883,902

97,229

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

David A. Lari

SIGNATURE

4/30/08

DATE

David A. Lari

PRINTED NAME

VP

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAY 9 2 2008

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Cochise</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>David A. Lari</u>
COMPANY NAME	<u>Pueblo Del Sol Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 2,083,795

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 141,970

IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

David A. Lari

SIGNATURE OF OWNER OR OFFICIAL

520-664-6655

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

(SEAL)

COUNTY NAME	
MONTH	.20__

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Kern

On 4-30-08

Date

before me,

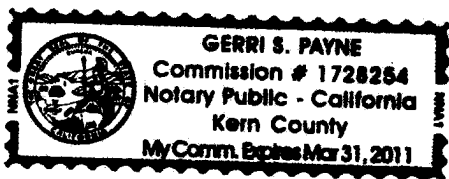
Gerri S. Payne, Notary Public

Here Insert Name and Title of the Officer

personally appeared

David A. Lari

Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Gerri S. Payne

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**
Intrastate Revenues Only

RECEIVED

MAY 6 2 2008

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Cochise</u>	
NAME (OWNER OR OFFICIAL) <u>David A. Lari</u>	TITLE <u>VP</u>
COMPANY NAME <u>Pueblo Del Sol Water Company</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 1,790,656

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 130,966
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.



SIGNATURE OF OWNER OR OFFICIAL

602-664-6605

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

NOTARY PUBLIC NAME	
COUNTY NAME	
MONTH	, 20__

(SEAL)

MY COMMISSION EXPIRES

X

SIGNATURE OF NOTARY PUBLIC

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Kern

On 4-30-08 before me, Gerri S. Payne, Notary Public

Date

Here Insert Name and Title of the Officer

personally appeared David A. Lari

Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Gerri S. Payne

Signature of Notary Public

Place Notary Seal Above

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- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

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OF SIGNER
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- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

MARSHA BONHAM

10816

PUEBLO DEL SOL WATER COMPANY

4226 AVENIDA COCHISE, SUITE 13 * SIERRA VISTA, AZ 85635

Stub 1 of 1

Check Date: 4/30/2007

INVOICE		COMMENTS	GROSS	DEDUCTIONS	AMOUNT PAID
NUMBER	DATE				
REAL PROPERT	043007	REAL PROPERTY TAXES 2	48244.80		48244.80
			48244.80		48244.80

Pueblo Del Sol Water Company
Tax Payment Schedule - Tax Year 2006
Arizona

APN	Job Cost Description Number	1st Installment	2nd Installment	Total
932-86-830-0	PDS Water Company		148.90	148.90
932-86-870-6	PDS Water Company		48,009.57	48,009.57
105-95-985 02 1	PDS Water Company	86.33		86.33
		<u>\$ 86.33</u>	<u>\$ 48,158.47</u>	<u>\$ 48,244.80</u>

MARSHA BONHAM

PUEBLO DEL SOL WATER COMPANY

4226 AVENIDA COCHISE, SUITE 13 * SIERRA VISTA, AZ 85635

Stub 1 of 1

Check Date: 11/1/2007

11281

INVOICE		COMMENTS	GROSS	DEDUCTIONS	AMOUNT PAID
NUMBER	DATE				
REAL PROPERT	103107	REAL PROPERTY TAXES	60461.60		60461.60
			60461.60		60461.60

Pueblo Del Sol Water Company
Tax Payment Schedule - Tax Year 2007 - 2008
Arizona

any 12207

APN	Description	1st Installment	2nd Installment	Total
932-86-830-0	PDS Water Company	185.77	185.77	371.54
932-86-870-6	PDS Water Company	60,181.35	60,181.35	120,362.70
105-95-985B 1	PDS Water Company	94.48		94.48
TOTAL TAXES PAID		<u>\$ 60,461.60</u>	<u>\$ 60,367.12</u>	<u>\$ 120,828.72</u>